DEPARTMENT OF FAIR EMPLOYMENT & HOUSING

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DFEH ANNOUNCES NEW SERVICE TO IDENTIFY ILLEGAL RESTRICTIVE COVENANTS IN PROPERTY DOCUMENTS

SACRAMENTO – Dennis Hayashi, director of the state Department of Fair Employment and Housing (DFEH), today announced the establishment of the DFEH Restrictive Covenant Identification Service (RCIS). The program's purpose is to assist the public in identifying and eliminating illegal restrictive covenants. A restrictive covenant is language that appears in property-related documents, such as deeds, declarations, and covenants, conditions and restrictions (CC&R's) that permits or prohibits certain actions in regards to the property. Historically, CC&R's have been used to restrict housing opportunities based on race. Notices of this new program were sent today to all county recorders and to title insurance, real estate, and escrow trade associations.

Legislation signed by Governor Gray Davis in September of last year requires DFEH to respond to requests from the public to review property documents and determine whether or not they contain unlawful restrictive covenants that discriminate based on race, color, religion, sex, familial status, marital status, disability, national origin or ancestry. Both state and federal fair housing laws already provide that restrictive covenants that discriminate on these bases are null and void. However, the RCIS provides a specific procedure to have the discriminatory language removed from the document:

- Persons with an ownership interest in the property may submit an application to DFEH requesting a determination regarding the illegality of specific restrictive covenant language in the document.
- DFEH will review the language and will issue a written determination as to whether the identified language violates the fair housing laws and is thereby void.
- Upon receiving a determination that the language constitutes an illegal restrictive covenant, the applicant may strike out the void language and record the modified document with the county recorder.

This procedure does not apply to persons holding an ownership interest in property that is part of a common interest development. Pursuant to Civil Code Section 1352.5 the board of directors of a common interest development or association is required, without approval of the owners, to delete any unlawful restrictive covenant and restate the declaration or governing document without the restrictive covenant but with no other change to the document. A board of directors of a common interest development or association is not required to obtain approval from DFEH prior to removal of restrictive covenant language.

"As we recognize Fair Housing Month throughout the nation, California has come a long way in its efforts to eliminate discrimination in housing," said DFEH Director Dennis Hayashi. "This new service will enable Californians to take possession of property without the vestige of discrimination from previous generations. Many of these property deeds were recorded decades ago and we are unsure how many contain language that segregated communities along primarily racial and religious lines. The Department is ready to assist anyone that wishes to eradicate these bases of discrimination from their property documents."

More information and the RCIS application form can be found on the DFEH website at www.dfeh.ca.gov, or can be obtained by calling the toll-free number for the DFEH Housing Fnforcement Unit: 1-800-233-3212.

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